



Korea: Strengthening a Nearly 60 Year Alliance for Peace and Prosperity

"This Agreement will generate export opportunities for U.S. farmers, ranchers, manufacturers, and service suppliers, promote economic growth and the creation of better paying jobs in the United States, and help American consumers save money while offering them greater choices. The Agreement will also further enhance the strong United States-Korea partnership, which has served as a force for stability and prosperity in Asia."

-- President George Bush, June 30, 2007

Anchoring Longstanding Ties with a Vital Regional Ally

Korea has long been our steadfast partner and ally in promoting peace and security around the world. Korean soldiers have fought alongside Americans in every armed conflict in which U.S. forces have been involved over the last 50 years. Today, Korea is the third-largest contributor of troops to the Coalition Forces fighting in Iraq and has stationed military personnel in Afghanistan. Our nations are working closely together to rid the world of the threat of North Korean nuclear weapons. By boosting economic ties, the U.S.-Korea Free Trade Agreement will broaden and update this alliance for the 21st century, and will join our 50-year-old Mutual Defense Treaty as a critical pillar of a strong and growing partnership.

Ensuring America's Continued Economic Leadership in East Asia

Over the last few years, China has started to surpass the United States as the leading trading partner of major economies in dynamic and growing East Asia, including Korea and Japan. The FTA will ensure America's continued economic competitiveness in Korea, a nearly \$1 trillion economy with a population of 49 million increasingly prosperous consumers with a per-capita income approaching \$20,500. Approving and implementing the FTA in a timely manner is all the more vital as Korea pursues or considers trade agreements with other major trading powers and, as the first U.S. free trade agreement in Northeast Asia, the FTA can also serve as a model for a growing number of similar arrangements across the region.

Strengthening an Asian Democracy and Driving Further Economic Reform

Korea's transition during the last few decades from authoritarian rule to democratic government is a model for other countries to follow. Today, Korea is a vibrant democracy, with competitive elections, rule of law, respect for human rights, a lively and unfettered press, strong labor unions and high labor and environmental standards. Over the last ten years, Korea has taken equally bold steps to open its economy to foreign competition and foreign investment, becoming America's 7th largest trading partner with two-way trade in goods topping \$82 billion in 2007. In 1996, Korea joined the United States as a member of the Organization for Economic Cooperation and Development (OECD) - a global group of developed democracies. It has been an active and constructive member of APEC (Asia-Pacific Economic Cooperation) since the organization was founded in 1989. Approving the FTA will send a strong signal to Japan, China and other East Asian trading partners to reform and open up their markets or risk falling behind.

For more information, visit the State Department's FTA webpage
at <http://www.state.gov/e/eeb/tpp/c22883.htm>

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